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# NEWS RELEASE

## **\$588 MILLION INVESTMENT BY USDA RURAL DEVELOPMENT TO MAKE RURAL MISSOURI A BETTER PLACE TO LIVE**

A \$588 million dollar investment by USDA Rural Development assisted rural Missouri in financial assistance during Fiscal Year 2005. The funds were through a variety of loan and grant programs to provide quality housing, good jobs, clean drinking water plus reliable modern essential community facilities and services.

"Many individuals, families, businesses, and communities in rural Missouri benefited with the USDA Rural Development assistance," said Greg Branum, Missouri State Director for USDA Rural Development. "I sincerely appreciate the hard work of all the individuals, families, businesses, organizations and communities that completed the applications for assistance; the partners that participated; the Missouri Rural Development staff; the strong support that we received from the Missouri Congressional delegation; and President Bush's leadership."

Too often, when it comes to economic development, our rural communities are left behind urban America. With the help of USDA Rural Development, these grant dollars will transform distressed communities in Missouri and benefit rural communities across the state," said U.S. Senator Kit Bond.



Pictured from left to right: Neal Miller, Area Director for St. Joseph Local Office; U. S. Representative Ike Skelton; U. S. Senator Kit Bond; Greg Branum, Missouri State Director for USDA Rural Development; U. S. Representative Jo Ann Emerson; and Kelly Gregory, Area Director for Clinton Local Office

Investing in rural Missouri will create jobs and stimulate the economy," said U.S. Senator Jim Talent, a member of the Senate Agriculture Committee. "Working together we are passing a pro-jobs, pro-growth agenda for Missouri that includes providing rural communities with the financial resources they need to keep our economy strong and vibrant."

U.S. Representative Roy Blunt said, "The USDA Rural Development funds for rural development are an investment in the people, families and

business of rural Missouri. New septic and water systems--keys to economic growth--would be impossible to fund for many rural communities without the

resources of Rural Development. The partnerships established between USDA and local communities have improved basic services, created new job opportunities, and opened the door of economic opportunity. Returning federal tax dollars to neighborhoods and communities to fund solutions to local problems is an appropriate way to help our rural towns and cities improve the quality of life for their residents."

U.S. Representative Ike Skelton said, “Over the last year, USDA Rural Development funding has helped communities in the Fourth Congressional District install early warning sirens, update water systems, maintain health services, and purchase police vehicles. I am grateful to USDA Rural Development staff for helping communities provide the essential services that enhance the quality of life enjoyed by rural Missourians.”

U.S. Representative Jo Ann Emerson said, “Living in rural America poses unique challenges to go along with great rewards. The mission of USDA Rural Development is to enhance our rural quality of life and identify opportunities to invest in rural America. To that end, we do an excellent job of working together in Missouri to make sure the funds that are distributed through Rural Development go to priorities and important infrastructure. Last year, Rural Development found ways to invest millions in equipment for first responders, water systems, health care and new economic opportunities in Missouri. I am very proud of their mission and I look forward to lending my full support to another successful year of grants and loans through USDA Rural Development to keep our future quality of life just as high as it is today.”



Pictured from left to right: U. S. Representative Kenny Hulshof; U. S. Representative Roy Blunt; U. S. Representative Sam Graves, and Greg Branum, Missouri State Director for USDA Rural Development

U.S. Representative Sam Graves said, “The funding provided through USDA Rural Development programs are vital to Missouri. Not only do they create conditions for economic growth, but they also help better Missouri communities. I look forward to working with USDA staff to continue this important investment in Northwest Missouri.”

U.S. Representative Kenny Hulshof said, "USDA Rural Development funds are a tremendous example of what the federal government does to invest in rural America. Rural Development's hard work and dedication has played a vital role in helping address the needs of rural communities. I congratulate them on another successful year."

U. S. Representative Todd Akin said, “USDA Rural Development grant and loan programs are enormously important. Because they are available, eligible communities and individuals have wonderful opportunities to launch important economic development projects, build public facilities, obtain clean water and realize the dream of having livable dwellings. But it is important to note that these communities are the support base for most ranchers and farmers. Unless they remain intact and viable, America may have difficulty feeding itself and the world so economically.”

Some of the investment highlights for fiscal year 2005 in Missouri to improve the quality of life and be successful in the 21<sup>st</sup> century include the following:

In the Rural Development Single Family Housing Programs a grand total of almost \$159 million of financial service was provided in Missouri. Of this amount, \$121.5 million of loan guarantees was provided through partnerships with private sector lenders. The guaranteed housing program assisted 1,496 individuals or families. Another \$36.3 million was provided to 989 deserving individuals or families with the 502 and 504 direct housing program.

There were five grants to help families with \$228,696 of repairs through a Housing Preservation Grant program. One Self-Help Technical Assistance grant for \$300,000 was issued to assist twenty families with housing assistance. Through countless hours of hard work, they combined a Rural Development housing loan with their own “sweat equity” to build a home and realize the American Dream of homeownership.

In the Rural Development Multi-family Housing Programs, affordable rental units benefited rural residents in 5 communities where \$1,257,800 million was loaned for apartment complexes. Another \$18,417,721 of rental assistance was provided to 8,800 very low income families living in approximately 19,608 apartments in 877 rental projects financed by Rural Development in Missouri.

Through the Community Facilities program over \$14,125,638 million in funds were provided to 66 communities for projects including 6 fire and rescue, 44 first responders and early warning systems, 1 daycare centers, 5 health care facilities, a community center and a 911 dispatch center.

In Rural Development's Business and Cooperative Programs a grand total of 21.8 million was delivered to rural Missouri. Of this amount, over \$17.7 million in guaranteed loans were made with our commercial lending partners, which provided assistance to 11 businesses across the state. Funds were used to provide financing to businesses including grocery stores, a senior assisted living facility, shopping center, professional office building, trailer manufacturer, retail hardware and home improvement center, timber processing plant, winery, family entertainment center and a multipurpose equine event arena. These loans resulted in a total of 550 jobs being created or saved in Missouri's rural areas.

Several cities, communities, counties and organizations were recipients of almost \$2.5 million through other Rural Development loan and grant programs. These included almost \$1 million in 19 Rural Business Enterprise Grants, three Renewable Energy Grants for \$751,000, two Rural Cooperative Development Grants for \$600,000 and two Rural Economic Development loans for \$900,000. Missouri was very fortunate to receive 18 Value Added Producer Grants totaling almost \$2 million to fund a variety of projects across the state. All of these programs allowed rural Missourians to benefit with assistance in planning feasibility studies, training, conducting surveys, and essential infrastructure in support of economic and community development activities in rural areas.

In the Rural Development Rural Utilities Services program, a grand total of \$372 million of assistance was provided to communities, including water and waste, electrical, and telephone distribution. In the water and waste area, \$31.2 Million was made available through 37 loans and 30 grants which assisted over 10,716 families with adequate drinking water and new or improved waste disposal systems. The USDA funds were leveraged with \$8.6 million of other federal, state, and local funds to accomplish these results.

Five cities or communities benefited with \$39,300 in Predevelopment Planning Grants (PPG). Most of this money will be used for preliminary Engineering and Environmental Reports.

In the Telephone program area, two loans totaling over \$6 million assisted Missouri rural areas. Loans are available through the telephone program to connect subscribers, provide improvements in the transmission and switching facilities, provide fiber optic cables, and expand telecommunication systems to provide better service to rural Missouri residents.

In the Electrical program area a total of \$334.7 million was provided including: 2 distribution loans for \$33.2 million and one generation and transmission projects for \$301.5 million assisting several communities and rural residents. Some of the funds were utilized to assist with generation and transmission of electricity and some to distribute electricity to end users/customers. It is estimated over 250,000 rural residential consumers benefited from the electrical program.

Branum added, "I want to extend my sincere appreciation to the many partners that assisted the Missouri USDA Rural Development staff with these accomplishments. With continued cooperation, we look forward to helping more individuals, families, businesses and communities with their needs in the year ahead."

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. Rural Development is Rural America's Venture Capitalist providing equity, liquidity, and technical assistance to finance and foster growth in homeownership, business development, plus critical community and technology infrastructure. Further information on these rural programs is available by visiting USDA's web site at <http://www.rurdev.usda.gov.mo/>.

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